

DIRECTORATE OF INTELLIGENCE

WEEKLY SUMMARY

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FAR EAST

Hanoi is again taking a harder line in its propaganda output. After a brief period when some North Vietnamese spokesmen hinted that the National Liberation Front's program need serve only as a set of guiding principles for a political settlement in the South, the Communists once again seem to be linking any settlement to a more literal acceptance of the Front's program. Vietnamese Communist propaganda on the war has also become more bellicose, representing the US as being intent on a new escalation of the war and promising new counterblows.

In South Vietnam, enemy units in many areas appear almost ready for renewed offensive activity. It is not clear whether intensified military action, if and when it comes, will be launched simultaneously throughout the country, as was the case in the Tet offensive, or whether it will be phased, possibly because of the differing stages of readiness of various unit concentrations. In any event, allied B-52 raids and spoiling operations may upset the enemy's timetable.

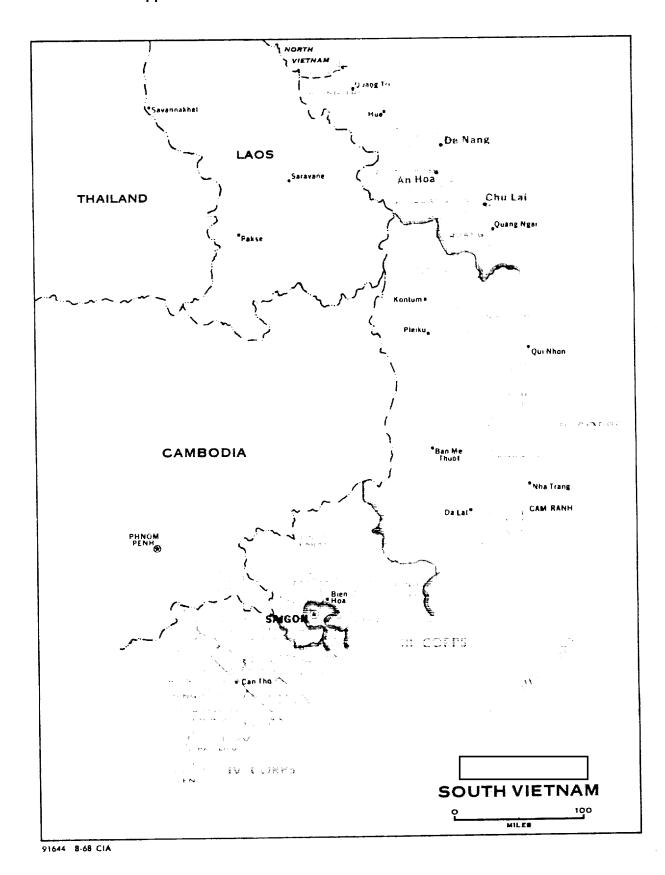
The week produced additional signs of a trend toward the right in the Chinese Cultural Revolution. Mao Tse-Tung issued a proclamation on 28 July telling militant revolutionaries to stop fighting. He specifically condemned those who strike at the army, disrupt communications, and kill, burn, and loot. These orders have already had a calming effect, although Mao has characteristically left it unclear just how far he wants to go in damping the Cultural Revolution. This uncertainty has led to an uneven performance by local army commanders in carrying out Mao's new dictum

The first annual meeting of the Association of Southeast Asian States in Djakarta has provided the occasion for private talks between Malaysian Deputy Premier Razak and Philippine Foreign Minister Ramos over the Sabah dispute. Although the substance of the dispute—Malaysia's refusal to consider the merits of the Philippine claim to Sabah—remains unresolved, both countries appear anxious to damp down public polemics over the issue.

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VIETNAM

Mounting evidence indicates advancing Communist preparations for launching attacks in widespread areas of South Vietnam by mid-August. Allied operations, however, may upset the enemy's timetable in certain areas.

Intensive reconnaissance activity by certain of the enemy units, coupled with an upturn in artillery shelling of allied positions below the eastern portion of the DMZ, suggest that the Communists are preparing for larger scale attacks. Enemy moves in northern I Corps, however, may only be intended to divert attention from Quang Nam, Quang Tin, and Quang Ngai provinces, where the threat of widespread Communist attacks has been growing rapidly in recent weeks.

The NVA 2nd Division is deploying into the Da Nang - Chu
Lai area and could be in position to launch attacks by mid-August.
Communist units are reported to have been spotted moving in the An Hoa region and clashes between allied and Communist forces southwest of Da Nang picked up markedly in early August.

diversionary attacks were to be made in the An Hoa area prior to an attack on Da Nang.

There are also continuing indications of a build-up of Communist forces in northwestern III Corps. Prisoners from the NVA 7th and the Viet Cong 9th divisions in Binh Long and Binh Duong provinces have reported that these units are now up to strength and are getting ready for major actions. A rallier

stated that he expects
the offensive will begin on or
about 15 August. Another prisoner revealed that he had been engaged in transporting ammunition
and supplies from Cambodia since
15 July and that he understood all
preparations for a new round of
attacks were to be completed by

At present, the enemy's forces in the immediate Saigon area include at least 14 battalions of local and Viet Cong and North Vietnamese main force units. Other units are presumably refitting in nearby sanctuaries and could augment the enemy's offensive force in the capital city area on short notice. At least eight additional Viet Cong main force battalions are reported en route to the Saigon area from provinces in IV Corps.

15 August.

Enemy units currently in position close to Saigon could

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25X1 25X1 mount a sizable, but limited, assault on the city within the next two weeks. The Communists also have the capability of launching massive rocket and mortar bombardments on the city at any time.

Hardening North Vietnamese Propaganda Line

The North Vietnamese have reacted to recent public statements by US officials after the Honolulu conference by hardening once again their public position on the role of the Liberation Front in South Vietnam. On 2 August, Hanoi radio said the Front was the "master of the situation" and, therefore, has "a decisive say in the settlement of the South Vietnam issue." The broadcast went on to state in even more uncompromising terms that "there is no other basis for a solution to the South Vietnam problem than the judicious stand of the Front."

Other recent North Vietnamese propaganda reinforces indications on the ground in South Vietnam that the Communists are on the verge of another round of offensive action. Some domestic broadcasts by Hanoi seem designed in part to gird the North Vietnamese people for another major effort in support of the war and possibly for a US resumption of heavier and more widely ranging air attacks.

Hanoi radio told the North Vietnamese that President Johnson on 31 July had mentioned the possibility of "increasing military measures" and that Secretary Rusk on 29 July had "brazenly" called for reciprocity in return for a bombing halt. The broadcast concluded that the US is still pursuing the war and that the Johnson administration was in a "vicious cycle" that can only be broken by Communist military force. An editorial in the party daily on 3 August warned the people to be ready for new US "escalation" and stated that the US is "threatening to use retaliatory military measures in case they are strongly attacked in the South."

Political Developments in South Vietnam

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There are a number of reports that Premier Huong is contemplating several cabinet shifts that would give southerners more representation and would further erode the influence of Vice President Ky and some of the senior generals associated with him.

Huong

intends eventually--pernaps within six months--to step down,
and is planning cabinet shifts
to bring in his supporters before
that day comes.

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Ky and his associates suf- fered another blow this week when Thieu finally carried out a long-rumored plan to replace General Khang with General Do
General Khang with General Do Cao Tri as commander of III Corps.

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RADICAL FORCES LOSING GROUND IN COMMUNIST CHINA

The Cultural Revolution appears to be taking a turn to the right once again, following a period of excesses. After three months of rising violence, particularly in areas adjacent to Vietnam, Mao Tse-tung finally issued a pronouncement on 28 July telling militant "revolutionaries" to stop fighting because the masses of students, workers, and soldiers were becoming "unhappy." Mao specifically condemned those who strike at the army, disrupt communications, and kill, burn, and loot.

This statement, along with central committee directives issued on 3 and 24 July designed to end fighting in Kwangsi and Shensi, have been widely disseminated in recent days. Mao complained that the Kwangsi and Shensi orders were ignored by militants elsewhere, and for this reason he was spelling out new orders that were to be enforced throughout the nation.

These orders have already had a calming effect although, as in the past, Mao has left it unclear just how far he wants to go in damping the Cultural Revolution. For example, Mao urged Red Guard factions to intensify "nonviolent" struggle against his enemies. In the past, such remarks have been used by factionalists to justify continued disorder.

Moreover, these orders, like 25X1similar ones issued in the past year, do not yet seem to give the army an unequivocal and general mandate to curb Red Guards.

the army still refuses to intervene in Red Guard squabbles,

although it has taken new steps to prevent military weapons from being stolen.

In Kwangtung, however, the army has been dealing harshly and even savagely with the Red Flags, the leading radical faction in the province. The army has occupied Red Flag headquarters, arrested Red Flag leaders, including its representative on the Kwangtung Revolutionary Committee, and apparently silenced its propaganda media. Army patrols have been seen beating up Red Flag members, and travelers claim that many are now being tried on serious charges of murder and looting.

During much of 1967, the Red Flag faction in Canton carried on a running feud with local army leaders and repeatedly denounced them in their journals. At that time, however, the Red Flags had the support of major groups in the Peking Red Guard Congress and of the Cultural Revolution Group (CRG), and the army did not dare to suppress them openly. The current suppression implies that radical leaders in Peking are no longer providing protection.

The touchy issue of how much authority to give the army in curbing Red Guards may have strained relations between the army and some top leaders. In an extraordinary departure from normal practice, not a single member of the CRG or of the politburo standing committee attended the annual army day celebrations in Peking. All top leaders were in Peking, however, and attended a number of Red Guard or diplomatic receptions just before and after the army ceremonies on 1 August.

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NORTH KOREA STEPS UP EFFORTS TO INFILTRATE THE SOUTH

Increased infiltration and reconnaissance efforts by North Korea resulted in numerous clashes along the Demilitarized Zone last week.

At least 18 North Koreans were killed and two were captured in more than 15 encounters between 28 July and 5 August. Two Americans and eight South Koreans also were killed. Two other North Koreans were killed on the southwest coast on 30 July after making

the year's first confirmed infiltration by sea.

Equipment found near the encounters indicates that the primary mission of most of the infiltrators this year has been reconnaissance rather than sabotage.

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Until last week, the rate of infiltration attempts had been about half of that detected last summer. The recent activity may be the beginning of increased probing of South Korean forward areas. The reconnaissance effort might be followed later in the year by acts of terrorism and sabotage.

So far, South Korean security measures are apparently keeping pace with the North Korean attempts. The recently completed anti-infiltration fence, more aggressive patrolling, and the introduction of night-detection equipment are apparently making it more difficult for the North Koreans to infiltrate across the 25X1 zone. Increased security along the coasts would also hamper seaborne infiltration.

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SOVIETS TRYING TO RECOVER IN INDONESIA

Cautiously trying to edge back into the Indonesian scene, Moscow apparently hopes it can slow Djakarta's drift toward the West, but is seriously handicapped in its efforts to do so.

Moscow is sending a delegation to Djakarta this month to revive long-dormant economic relations and to discuss a further rescheduling of Indonesia's debt. Suharto had earlier told the Soviets that because of economic difficulties, Indonesia wished to postpone for an additional year a \$25 million debt repayment due in April 1969. Western aid donors agreed in October 1967 to accept deferment of debt repayments until 1971, and Suharto is reluctant to jeopardize additional Western aid, expected to total some \$300 million this year, by contributing any portion of it, however indirectly, to a reduction in the Soviet debt.

The Soviets may also discuss the revival of economic projects postponed in 1967 and review Indonesia's military requirements. Moscow provided a \$10-million credit in September 1967 for spare parts to rehabilitate and maintain the military equipment it had provided in earlier years, which has deteriorated seriously.

The Suharto regime's rigidly anti-Communist policy seriously cramps Moscow's efforts to gain ground in Indonesia, however. The Soviets have had to resort to such uninspired gestures, for example, as giving some propaganda support to Djakarta's claim to West Irian. Moreover, the Indo-

nesian Communist Party (PKI) remains strongly attached to Peking. The present Soviet approach in these circumstances seems to be to denounce the more flagrant aspects of Suharto's anti-Communist policies while "exposing" the real origin of the PKI's current plight -- its adherence to the Chinese line favoring revolution by guerrilla warfare. Soviet overtures toward the PKI run the risk of encountering a hostile reaction from the government, however, which would find a pro-Soviet party no more to its liking than one facing toward Peking.

The Soviet propaganda thesis is that Indonesia is in the "national-democratic" stage of development and that the correct political line for a Communist party in such a situation is a united front against "imperialist and feudal elements." In line with this approach, Moscow is giving more attention to assorted Indonesian political groups. These overtures have been rejected so far largely as a result of government pressure and the realization on the part of the elements approached that their political existence depends upon accommodation with the military regime.

Indonesia, nevertheless, needs aid from the Soviet Union, especially spare parts for ships and planes. It also wants to exhibit its relations with the USSR as evidence of its nonaligned foreign policy. Beyond that, however, the Suharto government has shown little inclination to allow the Soviets more than token cultural and social advantages.

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EUROPE

The threat of Soviet military intervention in Czechoslovakia faded following the Cierna and Bratislava meetings. The nature and extent of the concessions the Soviets and their adherents have been given by Prague may become evident only with time. The Czechs have, in any case, won a respite rather than an accommodation. What is clear is that none of the principals in the affair seem entirely satisfied.

The Communists likewise can enjoy little satisfaction over the Ninth World Youth Festival, which closed in Sofia on 6 August. This gathering may not have been a total fiasco, but the strong-arm methods the Bulgarians employed were unpalatable to many delegations. Soviet propagandists will need to spend some effort repairing the evident damage to the reputation of international Communism.

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CZECHOSLOVAKIA WINS RESPITE FROM THE USSR

The Bratislava agreement of 4 August marked a step back from Prague's confrontation with Moscow and its allies, and reduced the attendant threat of massive military intervention in Czechoslovakia. The Czechoslovaks have won at least a reprieve but it is too soon to tell whether this will develop into any sort of modus vivendi. Much will depend on how much they had to give the Soviets in return for breathing space and on how the Dubcek regime uses the time it has won.

Unless there are secret codicils to the Bratislava agreementand neither side has yet done anything to suggest that there arethe results of the Bratislava conference fall well short of the maximum Soviet demands as expressed in the Warsaw joint letter of 15 July.

There was oral agreement on all sides in Bratislava to end mutual public recriminations and to this end Czechoslovak leaders have asked their news media to exercise voluntary restraint, especially in reporting on foreign affairs. The Czechoslovak press is restive under this restriction, however, and will probably continue to report on controversial subjects, but without invective.

The Bratislava agreement also called on the Czechoslovaks to harmonize more closely their economic, defense, and foreign policies with those of the hard-line Warsaw Pact states. The conference communique reiterated the call made earlier at the Dresden conference in March for an urgent top-level economic conference to be held "in the near

future." Such a conference might discuss economic assistance to Czechoslovakia. In addition, long-standing issues such as pricing policies, partial currency convertibility, and CEMA policy on trade with Western countries are likely to appear on the agenda. Since Bratislavia, the Dubcek regime has acknowledged its economic dependence on CEMA, but has also stressed that strengthened Communist economic ties do not preclude expanded trade with the West.

At Cierna, Dubcek apparently fended off Soviet efforts to station Soviet troops on Czechoslovak soil. In return, however, the Czechs may have had to agree to accept Soviet military advisers and to give up any plans they may have had for cutting their own defense establishment in the interests of economy. No increase in the army or in the defense budget is contemplated before 1970, however.

Dubcek's concessions in foreign policy may have been more apparent than real, for the regime
had already decided to move slowly
in this area. It would appear
that the Czechs have agreed to
further postpone ideas of re-establishing diplomatic relations
with West Germany or Israel, and
that Czechoslovakia's foreign policy orientation will veer more toward the Communist world than toward
Europe, as had been originally
planned.

No participant at Bratislava was completely satisfied. Hungarian party boss Kadar has said that differences remain. Kadar was not

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specific, but he was probably reflecting the concern he shares with the East German and Polish leaders over the political impact in their own countries of the Czechoslovak domestic reforms.

Since its return to Moscow on 5 August, the Soviet leadership has done everything in its power to represent the Cierna and Bratislava agreements as victories for Communist unity and orthodoxy. part, this is necessary to explain how the Soviet leaders could suddenly go from bitter denunciation of Prague to smiles and handshakes with so little concrete to show for it. Moscow's public treatment of Bratislava is also intended, however, to remind Prague that it will be expected to follow up its general pledges with deeds.

The Soviet leadership has also gone to some lengths to demonstrate that it is united behind the policy decisions made last week. How strong that unity is, however, is open to question and, should the Czechoslovaks back-slide on what Moscow thought was achieved at Bratislava, the strains in the leadership would increase.

During the past week, there were indications that some Soviet units in East Germany were preparing to return to garrison from locations near the Czechoslovak 25X1 border.

Prague announced that the last Soviet troops left Czechoslovakia on 3 August. The Soviet force of at least divisional strength, observed by a US attaché in central Czechoslovakia on 29-31 July, probably was included.

The entire southeast quadrant of East Germany remains restricted to Allied mission travel until 15 August. Parts of this area have also been denied to other Westerners as well.

There have been reports that some East German reservists have been called up. These call-ups are probably part of the large Soviet Rear Services exercise due to expire on 10 August. Moscow previously announced that East German and Polish reserves would take part in the exercise.

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WESTERN EUROPE PLANS NEW FIGHTER AIRCRAFT

A newly proposed multipurpose combat aircraft will
test the ability of a consortium of West European nations to
develop and manufacture an advanced weapon system without US
help. The program, which could
involve as many as seven countries and as much as \$2.5 billion, is in part intended to diminish Western Europe's dependence on the US for sophisticated
weaponry.

The proposal for the new plane, designated the Multi-Role Aircraft-1975 (MRA-75), moved forward on 17 July when four nations signed an agreement setting up teams charged with defining the operational requirements and performance characteristics of the plane. The four countries--West Germany, Britain, Italy, and the Netherlands -- are to come up with an agreed list of specifications by the end of the year. Once the specifications are fixed, the builders hope to develop and produce the plane in another six or seven years.

Canada probably will join the consortium and Belgium possibly will. France has shown interest but probably will not join as long as Paris entertains hope of developing an all-French rival.

Britain worked to gain charge of the over-all design of

the MRA-75, but settled for engine development. The Germans jumped to the front on the design of the airframe and the navigation system. The design of other components will not be assigned until further studies are completed.

The MRA-75 is to replace US-designed F-104s and Italian-designed G-91s now in NATO inventories and to fill the gap left by Britain's cancellation of its order for US-built F-111s. British aviation officials see a requirement for as many as 1,000 planes among the West European military forces. The consortium hopes to keep the cost per unit below \$3 million.

Western Europe's past successes in carrying out multilateral programs on complex weapon systems have centered on the production of US-designed hardware. The Europeans are becoming increasingly dissatisfied with this assemble-it-yourself approach, which makes them dependent upon the US for advanced technology. The effort to develop an independent capability might stretch Europe's limited defense resources, however, unless the consortium can avoid the inefficiencies that have marked previous cooperative armament ventures on the continent.

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YOUTH FESTIVAL ENDS AMID GENERAL DISSENSION

The Ninth World Youth Festival in Sofia ended on a note of deep dissension on 6 August. Only rigid Bulgarian security measures prevented scattered violence from erupting into widespread disorder. The political organizers of the festival probably made few converts to the Communist cause and the net result may be a widening of the ideological schisms between ruling Communist parties.

Yugoslav, Czechoslovak, West German, and other delegates complained bitterly throughout the ten-day affair, especially about excessive security measures that contributed to what the Yugoslavs called the "undemocratic atmosphere" of the festival. The Bulgarians apparently saturated the entire festival area with security forces. These strongarm squads quashed incipient protest demonstrations and forcibly excluded politically "unreliable" delegates from parades and seminars.

Bulgarian militia twice attacked radical West German student leader Karl Wolff as he tried to organize demonstrations. When he was later ejected from a seminar and denounced as a "fascist Goebbels," delegates from Czechslovakia, Rumania, Yugoslavia, Poland, and even some from Bulgaria walked out with Wolff's delegation in direct opposition to the East Germans.

Violent mistreatment of the Tunisian delegates prompted their government to demand an immediate

explanation from the Bulgarian ambassador. The Tunisian protest received the unanimous support of the Pan-African youth movement. Delegations from the Arab world reportedly were generally unhappy because Israelis were allowed to participate and because Arab problems were given scant attention.

Even the Vietnam war, the one topic seemingly guaranteed to produce unity, failed to produce the desired effects. A special train scheduled to leave Sofia on 3 August loaded with gifts for the "heroic Vietnamese people" has not departed. The reason for the delay is unknown, but the Yugoslavs have complained loudly that their consignment was deliberately damaged and that Yugoslavia's name was removed from the parcels.

Bulgarian authorities were especially nervous about elements of the "new left" and prevented delegates from several countries from crossing the border. The more radical portion of the French delegation was expelled, and other delegations left early, completely frustrated and disgruntled.

The total effect of Bulgarian heavy-handedness must have disillusioned even those delegates who managed to stay out of trouble. Repercussions from the festival are likely to be felt for some time, and may adversely affect Bulgaria's foreign relations. Moreover, the Sofia experience will reinforce doubts in the Communist world about the value of these costly spectaculars.

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YUGOSLAV INDUSTRY SPARKS ECONOMIC UPSWING

Yugoslav industrial output has begun to rise following last year's stagnation. The revival has been achieved, however, largely at the cost of a partial retreat from some of the liberalizing economic reform measures enacted in 1967.

Industrial output in the first six months of 1968 is up 3.8 percent over the first half of 1967. Vice Premier Gligorov has said he expects a 5-6 percent increase for the entire year, compared with the original estimate of 3-4 percent. In 1967, production fell by 0.4 percent.

The revival is the result of the about-face in government policy executed late in 1967 in response to rising unemployment and a worsening hard-currency trade deficit. These problems gave rise to sharp public criticism and prompted the government to reimpose direct controls and higher tariffs on many imports that had been liberalized in 1967. These import controls have been largely responsible for the revival thus far--benefiting for cially the iron and steel and chemical industries, which had suffered from increased foreign competition in 1967. In addition to import controls, the government is trying to revive growth by easing credit terms for exports and domestic sales of equipment. Thus far, however, the

latter measures are having little effect, and domestic output of machinery has not picked up.

The foreign trade picture is mixed. The deficit in the hard-currency area reportedly has decreased somewhat, largely because industrial exports have recovered from last year's decline, while imports have been held at the 1967 level. Agricultural exports to the hard-currency area, however, have dropped as a result of tightened EEC restrictions. Trade with the CEMA countries is running a sizable deficit, reflecting the continuing effort to reduce Yugoslavia's accumulated surpluses. This accounts for the increase of 16 percent in the over-all trade deficit in the first six months of 1968.

There is some danger that the upswing could lead to renewed inflation and balance of payments difficulties that would require a further retreat from reform measures. Although the regime hopes to avoid this, it is clear that continued government intervention in the economy will be necessary, regardless of whether the goal is to promote efficiency, stifle inflation, or stimulate growth. The recent improvement, however, should cause some of the criticism of the regime's policies to diminish.

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SOUTHERN YEMEN BESET BY TRIBAL OUTBREAKS

Although tribal protests against the one-party Southern Yemen Government have broken out, the army has so far managed to keep them from getting out of hand. The tenure of the regime, however, depends upon its ability to obtain continued support from the security services.

The tribes of the back country have now lost their temporary infatuation with "revolution."

They have begun to resist actively the socialist-oriented National Liberation Front (NLF), which late last year outlawed all other political groups in Southern Yemen. The rival political parties have not had the strength and the cohesion to resist the monolithic structure of the NLF, but the tribes have regained their inbred unity after their members flirted with various political groups of the right and

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left. Now, the tribesmen are seeking representation in a "national unity" government, from which former rulers and "godless Communists" are to be barred. Their demands are not clearly defined, even in their own minds, but they are quite certain they want to share the power that the NLF has monopolized up to the present.

The break with the NLF began among the Awlaqi tribal group, long a thorny problem in the area. Under British rule, they had attempted to gain dominance in the army, a move that failed after the NLF purged the highestranking Awlaqi officers from key posts. These officers appear to have become the leaders of the recent series of outbreaks, and have been able to call successfully for the defection of several hundred Awlaqi and Radfani soldiers. Most of the army is composed of strongly antiAwlaqi tribesmen, however, and the defections may not weaken army unity.

Other tribes are also dissatisfied with the government, and the spate of recent outbreaks will probably continue. This in turn will force the army to reconsider its support for the present regime. The army has never been enchanted with the NLF, but has supported it as the only practicable alternative to direct military rule or a left-wing take-over.

The NLF may be considering a more broadly based government once the present disorders are settled. If it decides not to share responsibility with other power groups, however, or resists the idea too strongly, the army may be forced to replace it. The NLF could even be excluded from the resultant coalition and find itself outlawed.

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EAST AFRICAN ECONOMIC COOPERATION SHOWS LITTLE PROGRESS

The eight-month-old East African Community (EAC), comprising Kenya, Tanzania, and Uganda, has thus far made little headway toward accomplishing its goals of economic cooperation and expansion of regional trade. Conflicting national interests and administrative problems will probably continue to obstruct progress for a long time.

The EAC was formed in December 1967 with the hope that it

would be more effective than its predecessor, the East African Common Services Organization, in correcting imbalances between its members. Kenya, for instance, has been receiving far more foreign investment than Tanzania or Uganda, and has dominated trade between the three partners. In addition, Kenya's leading role had always been accentuated by the location of the organization's headquarters in Nairobi, long the major economic center in East Africa.

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The three member countries have thus far failed to cooperate fully in trying to make the EAC viable, and they continue to subordinate community interests to their own. Development projects are not being coordinated, with the result that needed industries are neglected, while others, such as textiles, are being built in triplicate. Hopes for more balanced trade have been hurt by transfer taxes imposed on certain goods, and trade itself has been impeded by import license requirements. Moreover, the community is plagued with serious logistical problems such as inadequate transportation and scattered facilities, for which funds have not yet been made available.

Finding talented employees for the community has been another big problem. Tanzania preempts its most promising school graduates for its own government service, and Kenya discourages employment with the EAC, although not prohibiting it. In addition, expatriates find the EAC's new headquarters at Arusha, Tanzania, a remote backwater compared with Nairobi, and they are not responding to recruitment offers. Many African and expatriate workers



EAST AFRICAN COMMUNITY

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also resigned when their components were transferred to Arusha, where housing is scarce.

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CONGO (BRAZZAVILLE) PRESIDENT SURVIVES COUP ATTEMPT

An uneasy calm has returned to Brazzaville, where President Massamba-Debat apparently has weathered the double onslaught of a sharp attack on his leadership by leftist-extremists and an attempted coup by a part of the army and some militia elements.

The extremists, still reeling from Massamba's elimination of their top spokesmen from the government last January, began moving in mid-July toward a direct confrontation with the relatively moderate President. Massamba and his "counterrevolutionary clique" came under sharp attack by student radicals for having imposed "Bantu socialism" on the country instead of the Marxist-Leninist variety. Extremist leaders within the party also criticized him for failing to call the long-postponed national party congress, through which they planned to reassert radical control and perhaps oust Massamba from party leadership.

Countermoves by the President, including dissolution of the National Assembly and "suspension" of the party politburo, appeared momentarily to catch the radicals off guard. Several arrests were made, including former paracommando chief Capt. Ngouabi, a restive northern tribalist, suspected by Massamba of plotting with radical leaders and militia elements to overthrow the government.

The crisis took on a new complexion on 2 August when paracommandos forcibly freed Ngouabi from prison. Soldiers in Brazzaville apparently split into rival camps, with northerners grouped in opposition to loyal southern troops.

On the defensive for the first time since the crisis had come to a head, Massamba amnestied all political prisoners after Ngouabi had released a number of detainees.

Communiqués broadcast on Brazzaville radio on 3 August -probably issued by the opportunistic Ngouabi--were highly critical of Massamba and seemed to indicate he was out of power. In his "absence," Defense Secretary Poignet was named acting president and Ngouabi was appointed army commander. A few hours later, however, Ngouabi apparently became convinced that he was outgunned by loyal forces and appealed to Massamba to "rejoin" the government. After a day of negotiation with army and militia elements, Massamba announced that the constitution would be "revised" and that he had formed a provisional government, key members of which are persons closely associated with the President and his pragmatic policies.

Although the extremists thus far seem to have been unable to take advantage of the crisis, they will probably fight for positions in the new institutions promised by Massamba, especially the proposed 30-man National Council of the Revolution that is supposed to control composition of the government itself.

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BOLIVIAN POLITICAL SITUATION CALMED

President Barriento's convoking of Congress on 6 August has, temporarily at least, calmed political tensions. Before agreeing to open Congress, Barrientos apparently received assurances of support from the parties that formerly composed the government coalition, including their backing for the imposition of a state of siege in July and the appointment of a military cabinet.

The President had earlier indicated that Congress might be prevented from convening until the supreme court had ruled on its constitutionality, thus depriving the political opposition of a forum to attack the government's actions during the political crisis stimulated by the Guevara diary scandal. He was apparently dissuaded from this during an all-night session on 3 August with armed forces commander General Ovando and civilian political leaders, prior to which he reportedly threatened to resign from the presidency.

The convoking of Congress has deprived antigovernment groups of a major issue, and an indication from the President that civilians will soon be

brought into the cabinet would further ease the situation. Political tensions could rise again, however, if the opposition in Congress is successful in provoking a confrontation with the government over the handling of the Guevara diary case.

Student demonstrations and violence could also cause serious problems for Barrientos if they continue and are able to gain any outside support. A student demonstration in Cochabamba on 2 August attacking the Barrientos administration and "American Imperialism" resulted in two student deaths and 100 arrests. Security forces have thus far dealt efficiently with the students but sporadic incidents of terrorist bombings and student disorders continue. Adding to the apprehension are unconfirmed reports that guerrilla groups are forming in the countryside.

Despite these problems, Barrientos believes he has the situation under control, at least for now, and will be able to deal firmly with any future outbreaks of violence. The opening of Congress should reassure civilian politicians, and the military, the only group capable of dislodging the President, appears to be firmly behind him.

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